The International Law of Artificial Intelligence: How to Regulate a Technological Revolution & Stimulate the Global Economy

By Miron Sergeev, Staff Editor Vol. 39

Emerging technologies at the intersection of Artificial Intelligence (AI) and robotics threaten not only the disruption of market economies and workers' rights, but also international security. As humankind reaps the benefits of the technological revolution, nation-states grapple with disruptive innovation in a variety of ways, choosing to restrict the development, deployment, and use of AI systems with rules that reflect a diversity of values. Even within the family of nations that traditionally constitutes Western cultures, differences in AI regulation reveal conflicting, long-term approaches to how the law will shape socio-economic and political development. Whereas the United States (US) relegated AI regulation to flexible administrative policymaking, the European Union (EU) enacted a multinational framework full of bright line rules. Beyond the Western divide on capitalism and technological regulation, the People's Republic of China (PRC) bolsters state-owned enterprises, research laboratories, and talent-attracting think tanks to incentivize international economic competition as a direct rival of leading companies, such as Google, Meta, and Microsoft. While the PRC's DeepSeek falls prey to a cyberattack, OpenAI and Anduril work together to develop swarm-enabled lethal autonomous weapons systems and advance competition between military-industrial complexes like never before. States invest increasingly larger portions of their GDP into the development and deployment of ever more capable AI systems, so various legal fields—especially employment, national defense, investment, and international law—must respond efficiently to the global economic rollout of these novel technologies by adequately accounting for the rational decisions businesses and governments make in seeking to maximize profit through innovation. The law must adequately regulate yet incentivize AI innovation to make businesses internationally competitive, secure the national defense, and safeguard human dignity.

AI research and development (R&D) involves geostrategic interests that have a direct bearing upon the global economy, so international law should facilitate world trade in the raw materials

required to build the best available technology. AI R&D requires a steady supply of semiconductors, which are in high demand by competing states. As the age of energy-hungry AI dawns, states race to commercialize cutting-edge technology, strategically reshaping the supply and demand associated with computer chip manufacturing. Moreover, the Trump Administration's Executive Order on Maintaining American Leadership in AI identifies the crucial need to train a workforce capable of using AI in their occupations. The modernization of professions by means of AI-enabled labor paves a path toward the efficient fulfillment of economic, social, and cultural rights, increasing access to full and productive employment. While America's workforce continues to optimize daily operations, improve products, and increase production by means of AI systems, economic and artistic rights are vindicated through intellectual property law disputes. On the other hand, the PRC pursues strategic infrastructure investments to support AI scaling and sustainable energy solutions that minimize the externalities of environmental degradation incurred by the international community due to the deployment of AI systems. The PRC presents a more stringent approach to AI regulation to avoid deployment contrary to public policy, data governance, and cybersecurity standards, although the Chinese Communist Party (CCP) changes its focus of engagement depending on geopolitical competition and technological advancement. Serious tensions in the relations between the US and the PRC call upon international law to incentivize the expansion of semiconductor industries around the world and advance fair trade in the basic goods required for AI R&D. The security concerns surrounding Taiwan should be addressed by the United Nations (UN) Security Council to guarantee the stability of the global economy.

The EU sports a much more rigorous model of AI regulation than the US and the PRC. The EU Artificial Intelligence Act provides clear rules that are enforceable. The Act establishes a comprehensive risk-based regulatory framework for "providers and deployers of AI systems" by dividing use cases into four general risk categories: unacceptable risk; high risk; limited risk; and minimal risk. AI systems that pose an unacceptable risk, such as those designed to manipulate human behavior, exploit vulnerabilities, or enable indiscriminate surveillance, jeopardize fundamental rights, safety, and social values, so they are outright banned. Lethal autonomous weapons systems that remove human judgment or meaningful control from the decision to kill are a strong example of AI uses posing an unacceptable risk, as they violate human dignity, especially the right to life. The US Department of Homeland Security similarly treats AI-enabled "deep fake" identities as a serious threat. Whereas systems posing an unacceptable risk are naturally banned by the Act, high risk systems, which have the potential to impact the fairness of decision-making processes—such as law enforcement, hiring, credit scoring, infrastructure development, and general welfare provision—face strict

regulatory scrutiny and must undergo rigorous conformity assessments and bias detection, as well as include human oversight mechanisms. Limited risk use cases, like interactions with chatbots or AI-generated graphics, merely require transparency and clear disclosure, so that users can make informed decisions about engaging with such systems to avoid the spread of misinformation and advance the social values of authenticity, truthfulness, and user autonomy. Finally, the vast majority of AI systems pose minimal, negligible, or no risk, such as traditional recommendation algorithms and next-generation video games. Conformity with the law depends in large part on which risk category your business' AI use case falls under and whether you are a provider or deployer of an AI system, as varying obligations attach. Crucially, the Act provides an exception for the regulation of AI systems that are used for military, defense, or national security purposes, which remain the sole responsibility of each member state. As a supranational political agreement that has the force of law, the Act serves as a set of bright line rules ensuring ethical uses of AI systems while allowing member states to develop innovative means to guarantee national security. The law, however, imposes a burden upon small businesses and stifles innovation by mandating the regulation of certain products, including medical devices, automotives, and children's toys, all of which can easily fall under the high risk category if they implement an advanced enough AI system. Whereas the US approach to AI regulation generally nurtures grassroots capitalism and the PRC focuses on safety measures and information control, the Act creates a slow bureaucracy that is likely to drive up expenses and discourage small businesses from experimenting with commercial inventions that integrate AI.

Instead of the economic stagnation of imprudent legislation, the built-in bias of Internet censorship, and the fragmented implementation of executive directives that results in unfettered action at the level of domestic law, AI regulation around the world should be based on the collaboration of all states and global rules. The UN Global Digital Compact presents an alternative vision of AI regulation by accepting emerging technologies as a key to the achievement of Sustainable Development Goals (SDGs). The development and deployment of AI systems should be an effort of international cooperation that aims at the construction of resilient infrastructure and sustainable industrialization to foster innovation in every country. To that end, the UN Secretary-General and members of the Security Council call for the formation of an independent international scientific panel on AI to build capabilities that would reduce inequalities and facilitate global governance on the emerging technology. The development and deployment of AI systems should be treated as a global public good that takes into account the national defense concerns of all countries, not a zero sum game in which one leader or superpower defeats all states and rules the world. The clear and present dangers posed by AI systems and autonomous border

surveillance are analogous to the threat inherent in weapons of mass destruction, such as nuclear weapons, so international law must regulate AI for the sake of global peace and security. International law and global governance must therefore effectively restrict the military application of AI systems yet increase access to the best available technology among civil society for the benefit of all humankind.

Overall, the comparative differences between the US, the PRC, and the EU in respect to AI regulation reveal the need for international law to develop substantive rules on how to govern the emerging technology. While the US favors administrative flexibility, the EU offers a structured, risk-based framework, and the PRC's model integrates strict state control with ambitious innovation incentives. These divergent models reflect fundamental ideological differences in AI governance. International law, however, must strike a balance between the regulatory approaches to avoid the acceleration of an AI arms race based on geostrategic interests and political considerations. To better promote human rights and economic freedoms, international law should avoid overregulation yet provide a standard legal framework for all states to harmonize legislation and policymaking on AI. As the progress of science and the useful arts ushers in the technological revolution of AI, multilateral collaboration should prioritize fair trade in semiconductor production and severely restrict lethal autonomous weapons systems. The regulation of AI should empower civil society, modernize business, stimulate the global economy, and restrict the deployment of novel military technology.